Quality, Cost or Speed?

THE QA PHARM

By THE QA PHARM

“Quality, cost and speed — pick two.” This was a truism often quoted throughout my career.

Sacrifice quality with low cost and high speedl.

Sacrifice cost with high quality and high speed.

Sacrifice speed with high quality and low cost.

But does there always have to be a loser? Unfortunately, it seems to work out that way in practice.

A report dated July 27, 2011 came out from a special committee of Johnson & Johnson board members in response to investor lawsuits. It reported “an adversarial relationship” between quality and production and “an emphasis on production volume” over compliance.

The committee concluded that the consumer division at J&J “should have paid more attention” to quality issues and “exercised more management oversight.”

But, here’s the real kick in the pants.

This J&J blue-ribbon committee of their board was quick to take themselves off the hook by saying (I am paraphrasing):

Nobody on the J&J Board told McNeil that quality should be sacrificed.

Nobody in his or her right mind ever gives a direct order to ignore quality. Pressure comes in much more subtle form in our industry today under the guise of “restructuring,” “Lean” and “quick business acquisition integration” programs that are directed totally at cost reduction. These are company programs that line management is rewarded to deliver.

Someone needs to ask the J&J board of directors, “Which consulting firm gave that advice, and who at J&J approved the 35 percent corporate quality and compliance staff cuts in 2007?”

Nobody told the J&J Board there was a problem.

Rarely is the person appreciated who tells the “emperor he’s naked.” They are characterized as troublemakers and non-team players. They are the ones who are obstacles to getting “drugs to our patients.” Fear of unemployment fosters a “don’t make waves” cultural environment that is endemic.

Here’s where the quality assurance function must rise to the occasion to make objective data become the indisputable target, not the messenger. That is — unless they also have drunk the Kool-Aid.

The J&J Board acted aggressively when they found out about the problem.

Isn’t this always the case? The Sarbanes-Oxley Act of 2002 was to have ushered in an era of corporate responsibility in which company boards were to proactively and independently keep an eye on the legal and regulatory matters that affect the stockholders. Somewhere along the line the practice became limited to financial reporting — not compliance to CGMP.

However, all FDA consent decrees of permanent injunction are accompanied by stockholder lawsuits, so you would think CGMP compliance would be on their fiduciary radar also.

So, what about quality, cost and speed?

No doubt about it. These dimensions are truly interdependent.

However, great companies should be able to have honest and frank discussions about daily decisions along these three dimensions. There should be an advocate for each — quality, cost, speed — with an equal voice that is encouraged, respected and rewarded. This is where balance is found.

Troubles begin when — for whatever reason — any one of these voices is stifled, or when any one of these voices becomes more powerful than the others.

Source URL (retrieved on *07/26/2014 - 3:38pm*):
http://www.chem.info/blogs/2011/08/quality-cost-or-speed